



## Fiscal Estimate Narratives

DOR 2/28/2012

LRB Number	11-3906/2	Introduction Number	AB-0638	Estimate Type	Original
<b>Description</b> Technical changes to the qualified production activities income and franchise tax credit					

### Assumptions Used in Arriving at Fiscal Estimate

The bill makes technical changes to the qualified production activities income credit, which was enacted in 2011 Act 32, in order to facilitate the Department of Revenue's administration of the credits. Specifically, the bill provides a method for determining the qualified production activities income derived from manufacturing property or agricultural property located in this state rather than rely on the federal definition of "qualified production activities income."

The entire fiscal effect of the qualified production activities income credit was included in estimates provided for 2011 Act 32. None of the provisions in the bill materially change the fiscal effect of the credit as originally enacted. Therefore, the bill will have no fiscal effect.

### Long-Range Fiscal Implications